Chapter Five

RUSSIA’S ‘REGIME GOVERNANCE’ AND EMERGENCE OF A ‘STRONG-WEAK STATE’

This chapter is an attempt to synthesize various aspects of governance discussed in the previous chapters; the procedural aspects, institutional development and outputs as economic development in Russia. It is argued here that the present governance principles are being guided by the presidential regime and not an outcome of popular governance practices. The state which has emerged out of these practices is complex, with certain strengths and some weaknesses. Hence it is termed as a ‘strong-weak state’. The chapter is divided into three sections. The first section deals with the strengths of the Russian state and the second section discusses challenges of governance and weaknesses of the Russian state. The third section explains the emerging ‘regime governance’ and a centralized state in Russia.

Introduction

A scrupulous analysis of governance in Russia shows contradictory trends about the functioning of Russian state. On the one hand it has declined on various fronts. There have been demands for separation by some of the constitutional units of the Russian Federation while others continue to violate the principles of existing Russian constitution. Although the new constitution declared the Russian state as a liberal-democratic state but in practice it is neither liberal nor democratic. The new Russian state does not provide fair procedures and effective institutions through which people can express their demands. Rather, the governance principles, as the study has shown, were framed by a section of society which included the oligarchs, the president and his associates. The whole economic and political transformation has been managed by handful of people and it is this section which is the largest beneficiary of these processes. A larger section of society remains unbeneftitted and uninvolved.

However, despite these weaknesses the Russian state also has features of a strong state. The constitution which was adopted in 1993 is functioning well since last fifteen
and administrative institutions which were in decline in the 1990s have started reviving. The executive has provided political and institutional stability which is a prerequisite for any transition. Russian parliament is also playing constructive role in the law-making. Above all the Russian economy is witnessing a strong revival. It has emerged amongst the ten largest economies of the world.

Amongst these contradictory trends which exactly is then the nature of Russian state. Is this a state in decline or it is becoming stronger than what it was during the Soviet period. Does it suffer from the problems of Soviet legacy or it is emerging as a new modern state. Many scholars of Russian politics, society and economy equated modernization with westernization. However, this study takes up a more balanced approach instead of being biased towards a culture or region. Modernization here is seen as emergence of a political and economic system which promotes human development. Human development demands development of the whole society in terms of economy, polity and society. This study is based on the assumption that an efficient state with the ability to provide 'good governance' can be called a modern state. An efficient state is defined in terms of its administrative, legislative, and economic abilities.

On the basis of a macro analysis of Russian governance this chapter analyses the nature of Russian state. It is divided into three parts. The first part analyses the nature of Russian governance. Agreeing with Richard Sakwa’s conclusion this study also argues that the Russian governance is not a popular and participatory but ‘regime governance’. The second section explains the problems of governance in Russia. The third section deals with nature of Russian state. It attempts to assess whether Russian state is a weak and declining or is it reemerging as a strong and totalitarian state.

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60 For more details on the theories of modernization see Almond (1987), Huntington (1991). In case of Russia Richard Sakwa (1998), Stephen White and Neil Munro (2001) have also tried to address this question.
RUSSIA: A STRONG STATE

There have been contradictory claims about the Russian state. Some asserted that it was declining after 1991. The major reason behind these assertions was the declining economic conditions in Russia. However in 1999 there was a sudden jump in the international prices of oil. Russia amongst the largest producer of oil and having the largest gas reserves in the world was a big beneficiary. This helped in the revival of Russian economy. Since then the oil prices have continued to grow. Consequently the Russian economy has also been growing.

In addition to the economic causes, political analysts believed that the confrontation between the president and the parliament, which was a regular phenomenon during the Yeltsin’s regime, would continue. However, learning lessons from Yeltsin’s failures, President Putin managed to have a cooperative and friendly parliament. Putin also ensured a state where authority and not anarchy prevails. His strong steps against many tycoons who were quite influential during the previous regime sent a strong message to the Russian elite. In the past they used to manipulate the state machinery as per their interests. Putin’s actions reduced these tendencies but could not control it completely.

Putin’s attempts to revive the state power in Russia sent a positive message across the world. The country which was decelerating now started rising on the world scenario again. The terminology of ‘weak-state’ is not used for Russian state any more. Though there are challenges ahead but there are certain advantages which makes Russia a strong state. These factors are as follows:

a. The Russian military

According to the Weberian definition a state enjoys unrestrained authority to make law and use coercive force in a defined territory. Police and military forces are two such instruments of coercive force. A state with a strong military has the strength to impose its will on its citizens. Russian military is amongst the world’s top military forces. Though like other institutions the Russian military also faced a phase of decline
during the early years of post-Soviet era, especially during the first Chechen war in 1995, but it has also seen revival in the last decade.

Under President Putin, the Russian leadership emphasized the role of a strong military in establishing a strong state. They also felt that strengthening the military lead to an effective foreign policy and convey the image of an active global power capable of asserting its national interests. In 2002 Dmitry Rogozin, the chairman of the foreign affairs committee, a member of a pro-Putin faction in the Duma, stated that Russia had only two reliable allies—the Russian army and the Russian navy. Many others in the Duma have called for increased Russian military spending as the only way to guarantee respect for Russia in international affairs and a strong state at the domestic level.

By 2007 the Russian defense budget had almost quadrupled to $31 billion over the previous six years. In 2005 Russian defense spending rose 22 percent, 27 percent in 2006 and analysts estimate that in 2007 it could increase by an additional 30 percent. In 2007 the Russian Government approved a re-armament program through the year 2015 with a $240 billion budget. Apart from these improvements in the spending on military a major moral boost was its victory in the Chechnya war in 1999. The Russian army successfully crushed the terrorist groups which were functioning in the Chechnya region. Since then it has been actively involved in ensuring stability in the region. Although the problems of separatist movement continue in Chechnya but this has sent a strong message to other Russian regions that might have started demanding more freedom or autonomy in the absence of a strong response to the Chechen problem.

**b. A strong economy**

The Russian economy which was in the crisis till 1998 has shown remarkable revival. The industrial production was declining; agriculture production went below the Soviet levels. However, by 2000 it started achieving excellent growth rate. Figure 5.1
shows various economic indicators during the year 2000 to 2005. The average growth rate was approximately 7 percent. During this period its share in the global economy has gone from 2.7 percent to 3.2 percent. The Russian economy is the seventh biggest economy of the world. Its foreign exchange reserves are the second largest in the world. Since 2000 the Foreign Direct Investments have gone up radically (see the Figure). All these positive signs have further helped in rebuilding strong state machinery in Russia. Growing economy has resulted in increasing salaries and wages. This has further created a positive image of the state among the common people.

b. Russia’s oil and gas sector

The factor which has been the source of strength to the Russian state is its oil and gas reserves and industry. In last few years Russian economy has expanded faster than many developed economies of the world thanks to the increase in Russian oil production and relatively high world oil prices.

According to the Oil and Gas Journal’s 2008 survey, Russia has proven oil reserves of 60 billion barrels, most of which are located in Western Siberia, between the Ural Mountains and the Central Siberian Plateau.

With production of 9.8 million bbl/d and consumption of just 2.8 million bbl/d,
Russia exported around 7 million bbl/d. according to official Russian statistics, roughly 4.4 million bbl/d of this total is crude oil. Over 70 percent of Russian crude oil production is exported while the remaining 30 percent is refined locally.

Most of Russia's product exports consist of fuel oil, which are exported mainly to European countries and, on a small scale to the United States. Russian oil exports to the U.S. have almost doubled since 2004, rising to over 400,000 bbl/d of crude oil and products in 2007.

Updated monthly and annual data are available from EIA’s Petroleum Navigator. Increases in product exports can be attributed to political pressure to maintain refinery operations and higher international oil prices. A draft plan for the refining sector’s development for 2005-2008 foresees continued increases in the production of high quality light oil products, catalysts and raw material for the petrochemical industry.

Chart 5.3
Russia’s Gas Production
Source: Energy Information Administration available at www.eia.doe.gov.com
According to the *Oil and Gas Journal*'s 2008 survey, Russia holds the world’s largest natural gas reserves, with 1,680 trillion cubic feet (Tcf), which is nearly twice the reserves in the next largest country, Iran. In 2006 Russia was the world’s largest natural gas producer (23.2 Tcf), as well as the world’s largest exporter (6.6 Tcf). According to official Russian statistics, production during 2007 totaled around 23.1 Tcf, of which 85 percent (19.4 Tcf) was produced by Gazprom. Russian government forecasts expect gas production to total 31.1 Tcf by 2030.

As a result of these developments in the last one decade, the Russian state has negated all the predictions of its collapse or meltdown. Rather it has reemerged as a strong economic and political player in the global politics. It has successfully reasserted its role as a great power. Though its strengths are limited yet it remains a key actor in international politics.

However, what has restrained Russia’s emergence as a super power is the problems at home. It continues to suffer from the crisis of governance which has resulted in a weak state at the domestic front. Despite various economic successes these benefits have not reached a major section of the Russian society. The next section discusses these problems in more detail.

**II CRISIS OF GOVERNANCE AND A WEAK RUSSIAN STATE**

Immediately after the collapse of the Soviet Union the Russian state was facing many challenges on various fronts. At the political front there were clashes between the parliament and the presidency. The Russian state was also loosing control over its constituent units and some of them started demanding separation from the Federation. Economically, production of necessary goods, especially agricultural production declined drastically. Inflation reached three digit level. The existing financial institutions were unable to ensure safety of people’s savings and investments. State revenues declined radically. Socially, crime rates went up very fast. Even the cities of Moscow and St. Petersburg were not secure. As a result, it was widely believed that the Russian state was declining since its institutions were not able to effectively perform the functions which a state is expected to do.
However, negative trends were not unique to Russia. This was happening in other countries which emerged after the Soviet collapse. Stephen Holmes argues that decline of state was not unique to Russia, rather the ‘universal problem of post-Communism is the crisis of governability produced by the diminution of state capacity after the collapse of Communism’. 61

Scholars have identified many reasons behind the weakening of the state in the post-Communist societies in general and Russia in particular. For some it was the legacy of Soviet system. The natural outcome of a highly centralized system was the collapse of the state system. Others argue that the failure of new leadership to ensure a smooth going and widely accepted model of transition was a major reason behind the decline of the state system.

This study argues that leadership in the post-Soviet Russia ignored many principles of democratic governance in the institution-making process. On various governance scales measured by the Freedom House, United Nations Development Programme and other international agencies Russia scores very low. After initial progress, it ignored many important issues such as bringing accountability, transparency, in the public policy. The denial of these principles has led to corrupt state practices resulting in a weak and inefficient state at the domestic level. Consequently, various political and governance institutions failed to gain legitimacy. This has resulted in the emergence of a weak Russian state.

Major reasons behind the weakness of Russian state are as follows:

**a. Declining administrative effectiveness**

During the 1990s the Russian economy had undergone radical changes. Every year the economic shrank and price rises approached hyperinflationary levels. By the time of
the ruble crisis of 1998 Russian GDP had fallen by 42 percent and poverty had risen from 2 percent of the population to over 40 percent. This proved the fragility of the Russian economy. The government was unable to collect tax revenue to cover its expenditures. As a result the budget deficit rose to about 8 percent. The shortfall in tax revenues resulted in part from the enormous subsidies still paid to loss-making enterprises; the government had not been able adequately to cut its expenses, even though it collected (although arbitrarily and incompetently) some one-third of GDP in tax revenues, similar to the US level.62

There are arguments against any correlation between the administrative capacity and democracy. It has been argued that administrative capacity can be achieved and maintained without democracy building. In fact it is this assertion which becomes the basis of the argument which favors ‘good governance’ (defined in terms of higher administrative capacity to deliver) over a democratic polity. However in a study by Black and Hadenuis (2002) it has been argued that in the initial stages of democracy building the level of democracy is negatively affected from declining administrative capacity. But after a period of time it leads to faster growth in the level of administrative capacity. (see figure 5.6).

Applying this argument in case of Russia the present Russian administration is suffering from gross incapability. Figure 5.2 shows how post-Soviet Russia and other counties of the region have been suffering from decline in the administrative capabilities.

A comparative analysis of administrative strength and state capability shows that the post-Communist states are weak states in terms of administrative capacity. Even though as compared to many regions of the world Russia along with countries of Eastern Europe has performed better on the scale of democracy (if democracy is defined in the conventional sense). But the administrative capacity of the state has gone down in the previous decade.

Economic reforms, instead of strengthening democracy have weakened it. Privatization programmes have decentralized economic policy making. As per the neo-liberal notion it was expected that this will lead to a country wide development since it provides more liberal space for business activities. The decentralization of the Russian economy has transferred some resources to the regions.

However, the regions have been less than willing to send their revenues to the central government. Economic policies to decentralize the Russian economy have made corruption more sophisticated at the regional level, with more money to divert from federal programs. This problem is epitomized in the Russian far-east, which receives
one of the largest shares as an intermediary for the export of capital. Officials and organized crime groups on the regional level have established direct links abroad and developed more complicated mechanisms to enrich themselves and to cover their illicit and semi-illicit activities (Shelley 2005: 102)

Unlike, economic decentralization centralization of political power has further led to decline of federal tax structure. The centralization of executive and legislative powers in Moscow generated dissatisfaction among the regions in Russia. Introduction of a new system would have threatened the position of elites who were enjoying privileges during the Soviet period. These elites were against such reforms or were trying to sabotage the existing system. The real challenge before the new leadership was to create a social base for these reforms. But no such attempts were made to generate popular support in favor of reforms. Instead, the new leadership decided to go for bargaining with these regional leaders. The 1992 federal treaty was an outcome of such bargaining. However, this provided an opportunity to the old Soviet elite to misuse the whole process of reform. This section, while misusing their political position, is now deeply involved in corruption and malpractices.

b. Increasing crime rate

After the collapse of the Soviet state Russia emerged as the most criminal country in the world. Although the economy has been growing very fast but the crime rate continues to increase at a faster speed (see chart 5.6).
The major reason behind increasing crime rate is decline of law enforcing agencies and increasing problems of unemployment and poverty. These problems led to higher crime rates. This phenomenon was more prevalent in the metro cities especially in the St. Petersburg.\(^{63}\) It was recognized as crime capital of Russia.

What is more worrisome is increasing criminal tendencies amongst the youth. The crime rate is highest in the age group of 30-49. In this age the youth is expected to perform many family responsibilities. But due to increasing prices of essential goods and insecure employment it has become difficult in present day Russia. As a result the youths turn to crime. Declining education standards and lack of good employment opportunities in the far away areas of Russia has also resulted in the increasing crime rates among the students (see table 5.1). Besides, the suicide rates has gone up significantly during 2001-2005.

\(^{63}\) In a wonderful travelogue, Andrew Meier discusses nature of Russian crime. Andrew has discussed some of his personal experiences during his long stay in Russia (*The Black Earth* (2004)).
In an in-depth study Shelley discusses nature of crime in Russia. He has identified five trends of organized crime in the post-Soviet Russia:

- Impunity has a particularly strong impact on certain categories of crime;
- Contract killings are still common;
- Organized crime investment in the legitimate economy has not transformed them into legitimate investors;
- A culture that permits the perpetuation of crime;
- Great diversification of organized crime activity in all regions of the country;
- Involvement of organized crime in politics;
- Capital markets are heavily dominated by organized crime;
- Very wide variety of money laundering techniques to support and sustain organized crime activity;
- Presence of many organized crime groups from many different parts of the former Soviet Union operate in many different regions of Russia. (Shelley 2003: 103-122)

In this respect, since the urban areas are more developed with better employment opportunities therefore crime is more prominent in the rural areas as compared to urban areas. Though organized crime is a more prominent phenomenon in big cities but the overall crime rate is higher in the rural areas than in the urban areas. Further, overall crime rates are higher in the Eastern part of Russia than in the western or northern part. Southern Russia is more vulnerable to organized and violent crime or terrorist activities. These areas have also been suffering from the problem of economic underdevelopment and administrative negligence. As a result dissatisfaction among the

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youth has led to higher crime rates.

Shelley argues that problems of crime and corruption are not simply failures of law enforcement agencies in Russia. Rather it is linked to the inability of domestic as well as international agencies to understand the ‘systemic approaches to preventing problems’. In stead of involving all the sections of society in the reform process the international agencies and Yeltsin preferred to work with a small group of oligarchs who dominated banking, the media and Russia’s natural resources. They in turn by passed parliament and ignored issues of democratic governance.

### b. Problem of corruption

Perhaps the most direct drain on state capacity in Russia is corruption. Corruption includes the misappropriation of funding, diversion of resources, evasion of taxes, bribery, and so forth. As the chart below shows corruption has been a major problem of Russian governance. The Freedom House Governance indicators show how Russia’s score has been negative since 1991. It started during the blind and uncontrolled implementation of privatization programs. This has negative consequences for the regional governance and administration. The chart below shows the popular opinion about most of the institutions of governance. Respondents considered police as the most corrupt institution. A more harmful indicator for democratization is that even Duma is considered highly corrupt institution.

In the initial years there were no serious attempts to control corruption. In fact the corrupt officials were in a way promoted by the executive as no serious action was taken even against those who were clearly involved in corruption. It was only during Putin’s period that the issue of corruption was taken up.
Furthermore, lack of participation of various political and economic sections and of accountability has increased corrupt tendencies. This is more so in case of sale of public sector units. There is no transparency in the allotment of various tenders. Most of the public sector units and tenders are allotted to those who are close either to the presidential administration or to the governors at the regional level.

Åslund (2001) argues that the state in Russia is a ‘rent-seeking state’. A rent seeking state, according to him is a state which creates a confusing and complex phenomenon which involves a ‘mixture of extreme freedom and severe regulation’. He further argues, ‘Most rent seeking states are semi-democratic and might develop into true democracy. Although distorted, the rent-seeking states are still market economies, rents are endangered by the development of a competitive market economy and intense feuding among “oligarchic” groups. Initially, their drawbacks were expanding corruption, rising income differentials and an aggravation in the functioning of the state’ (Åslund 2001: 4).
c. Problem of inequality

In the last one decade, Russian economy has successfully overcome the decline which it faced during 1990s thanks to the increasing oil prices in the international market. A new middle class with higher purchasing power is emerging in Russia. However, this should not be regarded as a success of Russia’s transition from a state controlled economy to a market economy. A disastrous consequence of economic reforms is uneven economic development in the Russian federation. The central and eastern Russia is far more developed as compared to the eastern and southern Russia.

A World Bank report on economic development in Russian regions has analysed the differences of human development in Russian regions (see chart 5.7). Another document of the Bank asserts that the transition has been accompanied by increasing inequality in asset ownership and returns to education, generating increasing levels of consumption and income inequality. This contributes to poverty, and has been weakening the poverty-reducing impact of recent growth. Russia is already at high end
of inequality among the CIS countries, even if its inequality is still moderate by broader international standards. In 2002, the Gini Index of inequality in Russia was 36.8 percent for consumption and 40 percent for expenditure (World Bank 2005).64

Another medium of understanding regional inequality and differences is the Gross Regional Product (GRP) per capita in the region. The GRP in the richest region is 67 times that of the poorest region in nominal terms and 33 times in real terms, when regional price differences are accounted for. Real consumption per capita in 2002 in the richest region was three times that in the poorest region. The poorest regions are some areas in the North Caucasus, South Siberia, and Central Asia. The richest regions include resource rich Siberia, the Far East and the European North, and also Moscow City.

About 10 percent of aggregate inequality in consumption in the Russian Federation can be attributed to inter-regional inequality, while the remaining 90 percent is due to

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64 The World Bank (September 2005), *Russian Federation: Reducing Poverty through Growth and Social Policy Reform*
within-region inequality. However, a positive fact about poverty is that the poorest regions have a small population and thus they have only a small fraction of the total number of poor people (See chart 5.8).

In 2002, consolidated government spending on social protection programs accounted for 12.6 percent of GDP. Moreover, many citizens are eligible for subsidies whose costs are only partly covered by the budget. About two-thirds of social protection spending goes to social insurance programs, such as: pensions (6.3 percent), and other programs providing benefits in case of sickness, maternity, or unemployment. But these programs do not have an explicit poverty alleviation mandate, but some benefits (such as the minimum pension) are designed to reduce the poverty risk. Therefore, at surface it seems that the expenditure on social security is increasing but in reality it hardly helps in reducing poverty. The subsidies or privileges are subsidized access or free access to a wide range of services and goods, such as exemptions or discounts from rent or utility payments (20 percent of the population); telephone services (11 percent); medicines, medical appliances and medical services (9 percent); urban, commuter and long-distance transport (20 percent); and vouchers for sanatoriums, spas, child care facilities, and summer camps (1 percent) are also available.
to certain sections of the society. The needy sections remain out of the coverage of these programs.

The targeted social assistance includes three main programs: (i) child allowances; (ii) allowances for housing and utility services; and (iii) targeted social assistance programs provided by regional and local government. An estimated 45 percent of all households benefit from the privileges, and 42 percent of the households benefit from the targeted social assistance.

However, spending on the targeted social assistance programs for the poor was merely 0.4 percent of GDP in 2002, while spending on various privileges was more than ten times higher at 4.3 percent of GDP. The richest households obtain the largest benefit from the various types of privileges.

Based on these indicators it is clear that the performance of the poverty alleviation programs and social assistance programs specifically in helping the poor is very low. The two programs that have the largest share of poor among their beneficiaries are the child allowance program and the decentralized social assistance programs. Only about 30 percent and 28 percent, respectively, of these programs' beneficiaries come from the poorest quintile. With the exception of the child allowance, the average benefit received by the richest quartile is larger than the average benefit received by the poorest quartile.

Assessment

Due to these weaknesses the Russian state has been labeled as an inefficient state tempered by corruption, favouritism and response to personal appeals. Individual life remains highly unsafe. Self-protection rather than police protection is seen as the best way to make one's home safe. Due to these features the Russian state and society are categorized as 'anti-modern.' Scholars have argued there is a crisis of governance in new Russia. According to them it has been so due to the following reasons:

- One third sections of Russians believe that the peoples' representative institutions are corrupt.

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• There have been numerous instances of violation of constitutional provisions by the regional units.
• Moreover it is only the presidential regime which is seen as a source of social change.

Scholars have argued that 'the fundamental problem in Russia's transition is the existence of an enfeebled and profoundly dysfunctional state' (Roberts and Sherlock 1997: 30-39). Russian state's capacity has been challenged in many ways. According to Valerie Sperling (2000: 7-9), the Russian state has been facing seven obstacles in achieving a high level of state capacity: the presence of 'strongman' challenging central authority; the underdevelopment of civil society; widespread reliance on personalism; failure to build institutionalism; corruption; a lack of clarity about the citizenship boundaries of the Russian state; and Russia's location into the global political and economic system.

In the above analysis we have touched upon these aspects. However, beyond the problems which Sperling discusses, there is another serious challenge before the capacity and autonomy of Russian state i.e. the role of Russian economic and political elite. These elite control largest share of Russia's economic resources. The present governance model provides them easy access to the political power. Consequently, the Russian governance is defined by these 'oligarchs', the term used for Russian elite, and not by the masses. The next section discusses this aspect in more detail.

III
RUSSIA'S REGIME GOVERNANCE AND CENTRALIZED STATE

In the governance theory the focus is either on the process of policy making and implementation or on the outcomes of these policies. Such analysis is helpful in identifying the weak spots of governance. This is further useful in developing more specific techniques for resolving these problems. These aspects of governance theory are more useful for the scholars of public administration. They can use governance analysis for resolving various issues of public-policy. It helps in identifying various
actors which can be part of such processes. This helps the bureaucracy in ensuring a smooth and successful implementation of various public policies.

However, the focus area of governance theory in comparative politics is broader than the theories of public administration and public policy. The objective of a political scientist is not only to study the administrative and public policy aspect of governance but also to analyze the relationship between the state and society and role of governance in strengthening this relationship. In order to study this relationship the focus is on two aspects of governance: one is participatory and second is its impacts.

The participatory aspect of governance in comparative politics emphasizes on the role of civil society in governance. It is argued that a more participatory process of governance formation leads to more successful and good governance. This participation can be in various forms. In case of transition societies it begins with creating the basic political institutions (e.g. constitution etc). It is important to know whether the aim of transition is an imposed idea of the political or economic elite or it is based on mass opinion. Initially it may have been drawn by one section but whether later on the elite seek acceptance of masses in a fair manner. The transition model could be adopted by masses though procedure might be unfair and non-transparent.

The second aspect of governance in comparative politics is whether governance produces benefits for masses or for one particular section of society. Contemporary comparative political scientists accept the human development and human right perspective as a more appropriate approach to study impact of governance on any society. Comparative political scientists argue that governance which produces higher human development results into a more strong state. Such state enjoys more faith of the people.

Based on these two aspects this study argues that governance which is more participatory and produces higher development will be a symbol of a strong and efficient state. On the other hand concentrated and centralized governance will lead to a weak and inefficient state which enjoys less public trust. The weak governance spots are also a reflection of state’s ineffectiveness.
In case of Russia, the governance has been less participatory and has failed to produce higher human development. Consequently, the Russian state lacks trust of people. As discussed in the previous chapters, most of the political and administrative institutions in Russia do not enjoy people’s faith. Lack of such faith has created an image of weak and ineffective state in the post-Soviet Russia. The benefits of economic change are limited to certain section of population and some regions of Russia. Both these weaknesses of Russian state have significantly affected the process of democratization.

On the basis of the concentration of power in the hands of the president Richard Sakwa calls the post-Soviet Russia’s governance as ‘regime governance’ (Sakwa 1993: 98) and not popular and constitutional governance. Sakwa writes that “A regime here is defined as the network of governing institutions that is broader than the government and reflects formal and informal ways of governing and is usually accompanied by a particular ideology. The regime in Russia is focused on the presidency but is broader than the post of president itself. It can be seen as a dynamic set of relationship that include the president, the various factions in the presidential administration, the government (the prime minister and the various minister), and the informal links with powerful oligarchs, regional bosses and other favored insiders.

Most of the western scholars including Richard Sakwa consider constitutional governance as a synonym of good governance. If constitutional provisions are followed and the country is governed by rule of law, it will lead to good governance. What makes these analyses narrower in focus is the implicit western bias in the meaning of the constitution itself. For them constitutional governance is nothing but the liberal model of democracy. In other words adopting a liberal constitution and its proper implementation is good governance.

This study criticizes such approaches for their narrow focus. There are many examples where countries adopted constitutions which have all features of a liberal-democratic system. However, in practice the politics is not democratic and the state is authoritarian in nature. The second chapter of this study attempted to address this question. It argued that merely having a constitution does not ensure smooth democratization. What is more important is implementation of principles of good governance in making the constitution itself. Principles of good governance are
people's participation, transparency and accountability. Constitutional governance will be good governance only if these principles are followed in the formation of constitution itself. Such model of governance demands adequate space for people's demands and complaints. It endorses the idea of people's participation at various levels in the process of policy-making and implementation. Besides, in the process of law making the popular governance demands open debates and discussions. Regime governance on the other hand is guided by the ruling regime.

In case of Russia such principles were never followed. It is the regime which determines various facets of political and economic reforms of the country. Since the president enjoys extraordinary power over all other political institutions their role has been marginalized in the whole process of government formation, law making and implementation. Even the media, both print and electronic, have been facing cracks downs from the Kremlin. Though the print media has been playing some constructive and critical role but it continues to face various restrictions.

In case of Russia the president enjoys ultimate law making and policy making powers. Therefore Russian political system is recognized as a 'presidential regime' and not parliamentary. In other words it is the presidential regime which determines the governance principles of the country. The parliament and other civil society institutions have limited role to play. Their role and significance is very much related with their relationship with the presidential regime. The paradox of Russian politics during the Yeltsin period was emergence of a strong presidency in a weak state, something that created a whole range of power asymmetries and distortions (Sakwa 2004: 83).

Matthew Shugart and John Carey in their book, Presidents and Assemblies: Constitutional Design and Electoral Dynamics, define presidentialism as: 'a regime type based on the ideal of maximum separation of powers and exclusive responsibility of the cabinet to the president. We define premier-responsibility as a type in which the president has certain significant powers, but the cabinet is responsible only to the assembly. The third type is president-parliamentary, a common type with shared -or confused- responsibility over cabinets between president and assembly.'

Two further definitions are found in Juan Linz's chapter in The Failure of Presidential Democracy and Alfred Stepan and Cindy Skach's article 'Constitutional
Frameworks and Democratic Consolidation: Parliamentarianism and Presidentialism.

Linz classifies presidential systems as ones where: '1) both the president, who controls the executive and is elected by the people (or an electoral college elected by the people for that sole purpose), and an elected legislature (unicameral or bicameral) enjoy democratic legitimacy...and, (2) both the president and congress are elected for a fixed term, the president's term, the president's tenure in office is independent of the legislature, and the survival of the legislature is independent of the president, a president who is elected by the parliament, and a prime minister who needs the confidence of parliament. Other characteristics not always found but often associated with dual executive systems are: the president appoints the prime minister, although he needs the support of the parliament, and the president can dissolve the parliament.'

As we discussed in chapter third, the super-presidential system of Russia has weakened other institutions especially the parliament. It has also encroached upon the autonomy of civil society institutions especially the media. A strong presidency has also prevented emergence of parties which evolve out of political movements and struggles. Control of presidency on all government institutions have allowed him to promote patronage politics. Such tendencies have prevented the entry of leaders who are committed to the social cause and not to the presidency. The leaders which are presidential nominees are connectors between the presidency and society but not between the state and the society. In other words, due to a strong presidential regime democracy in Russia has failed to produce leaders who are true representatives of people's demands.

Besides, with the control over the electoral machinery the presidency has also manipulated election results in its favor. This has strengthened the position of presidential nominees. Independent leadership which tries to emerge out of society do not have wherewithal to carry forward there struggle. The leaders on the other hand who have the support of presidency also have financial and other support from the bureaucratic machinery. As a result, genuine candidates are not able to have significant impact on the democratization process. This is the reason that so far only the party supported by the president (except the 1993 and 1995 parliamentary elections) has been the winning party. Other parties have very minor role to play in the governance process of the country.
Another arena which can challenge the presidential supremacy is the civil society. However, this has also been facing restrictions from the Kremlin. It was discussed in the chapter third that Russia is considered as the most unsafe country for the journalists.

What has helped in forming the presidential regime is the president’s power to appoint heads of major state departments, institutions and industries. Instead of adopting a transparent and accountable recruitment policy the present Russian government machinery depends on the president’s nomination powers. As discussed earlier, the president has used his decree power to appoint people of his own choice. By using decrees it has been sidelining the parliament which represents people’s voice. With this power the president has given benefits to Soviet era bureaucracy and party officials. Gordon Hahn does not accept change in Russian policy as a true democratic revolution. He says that the collapse of Soviet Union was a ‘revolution from above’. Hahn argues that immediately after the collapse the former party officials were given key positions. They were among the key players till the new constitution was established. This section remains prominent in the policy making till date.

In an in-depth analysis of structure of post-Soviet Russian state Gordon Hahn shows that no real political change has taken place. The collapse of Soviet state and emergence of a new democratic and liberal Russia was on papers, but in reality things have not changed. The section which was a significant component of Soviet state structure continues to enjoy its status. It continues to dominate the new Russian polity, economy and society.

In a fact based analysis Hahn attempts to explain it. He has tried to analyze the data of composition of key governance institutions of Russia: the legislature and executive. He shows that how majority of members of these two branches were associated with some or the other major institution of the Soviet state. They were active members of Soviet nomenklatura (see table 5.2).

Explaining this phenomenon Hahn disputes Russian democrats’ claim of revolution. Discarding the ‘revolution from above’ model he argues that in the new Russia the road to democracy and free markets by way of revolution from above has proven to be problematic. Such revolutions tend to produce “unstable, illiberal democracies and corrupt state capitalist or corporatist economies. Aside from being
civilian-led rather than military-led, the illiberal results of revolution from above are evident in Russia" (Hahn 2002: 498).

Table 5.2
The predominance of Former Soviet Party-State Apparatchiki in Post-Soviet Russia’s Federal Legislative and Executive Branches, 1996-1999 (Number of Officials in Parentheses)

<table>
<thead>
<tr>
<th>Type of post held under Soviet regime</th>
<th>Legislative branch</th>
<th>Executive Branch</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Federation Council</td>
<td>State Duma</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Politburo, CC, and CC apparat</td>
<td>2.8% (5)</td>
<td>4.2% (19)</td>
<td>8.6% (7)</td>
</tr>
<tr>
<td>Regional Party</td>
<td>27.1% (48)</td>
<td>13.3% (60)</td>
<td>4.9% (4)</td>
</tr>
<tr>
<td>Local party</td>
<td>15.3% (27)</td>
<td>7.1% (32)</td>
<td>4.9% (4)</td>
</tr>
<tr>
<td>PPO</td>
<td>1.1% (2)</td>
<td>.9% (4)</td>
<td>--</td>
</tr>
<tr>
<td>Party/state, All-Union</td>
<td>.6% (1)</td>
<td>.4% (2)</td>
<td>7.4% (6)</td>
</tr>
<tr>
<td>Party/State, Sub-Union</td>
<td>9.0% (16)</td>
<td>3.1% (14)</td>
<td>2.4% (2)</td>
</tr>
<tr>
<td>Komsomol/Trade Union</td>
<td>4.5% (8)</td>
<td>2.7% (12)</td>
<td>3.7% (13)</td>
</tr>
<tr>
<td>Union government</td>
<td>.6% (1)</td>
<td>3.3% (15)</td>
<td>22.2% (18)</td>
</tr>
<tr>
<td>Sub-Union government/Soviet</td>
<td>9.0% (16)</td>
<td>7.6% (34)</td>
<td>3.7% (3)</td>
</tr>
<tr>
<td>Military officer</td>
<td>2.3% (4)</td>
<td>4.4% (20)</td>
<td>3.7% (3)</td>
</tr>
<tr>
<td>KGB Officer</td>
<td>1.7% (3)</td>
<td>.4% (2)</td>
<td>4.9% (4)</td>
</tr>
<tr>
<td>State Industrial/Scientific Enterprise</td>
<td>10.2% (18)</td>
<td>6.2% (28)</td>
<td>4.9% (4)</td>
</tr>
<tr>
<td>SovKhoz/Kolkhoz</td>
<td>2.8% (5)</td>
<td>3.8% (17)</td>
<td>1.2% (1)</td>
</tr>
<tr>
<td>Cultural-Ideological Leader</td>
<td>1.1% (2)</td>
<td>10.7% (48)</td>
<td>4.9% (4)</td>
</tr>
<tr>
<td>Non-Elite</td>
<td>11.9% (21)</td>
<td>31.8% (143)</td>
<td>22.2% (18)</td>
</tr>
<tr>
<td>Total</td>
<td>100% (177)</td>
<td>100% (450)</td>
<td>100% (81)</td>
</tr>
</tbody>
</table>


In her comparative study of four revolutions Trimberger writes that in order to achieve state’s autonomy, “the bureaucratic state apparatus, or a segment of it” must not be recruited from the “dominant class(es) and not from “close personal and
economic ties with those classes after their elevation to high office” (Trimberger 1989: 4).

Hahn proves right as an analysis of governance in the post-Soviet Russia reveals that how the state has been suffering due to challenges of rampant corruption, capitalist domination and illiberal policies against the civil society. The major reason is the post-Soviet Russian regime’s incorporation of many of the former regime’s governing institutions and personnel. “This has produced a Russian state with a dearth of autonomy, institutional and ideological cohesion, and capacity” (Hahn 2002: 498).

Because Russia’s revolution from above was led by party-state elites from the Soviet nomenklatura class, it lacks sufficient state autonomy from key economic and political interests left over from the ancient regime for it to establish an effective democracy or free market. Because many CPSU and Soviet state apparatchiks joined the revolution out of opportunism, the new Russian state lacks the ideological cohesion it needs to make and implement policies effectively.

Besides, since both the destruction and construction of institutions and the ‘new’ Russian state during the revolution from above was executed unconstitutionally, without negotiations, and instrumentally in service of one regime faction’s seizure of power from another, the new Russian state includes many of the ancient regime’s institutions as well as hastily constructed new ones. This deprived the post-Soviet Russian state of bureaucratic rationality, institutional cohesion, and state-capacity.

Further explaining Russian state’s weak autonomy Hahn says that in the post-Soviet period, party and Kosmsomol apparatchiki, middle level government bureaucrats, KGB officials, and industrial managers continued to move into the new Russian regime’s state and business elite. Yeltsin also built his presidential structure from bodies and personnel taken from the Soviet Communist party and state bodies. A group of specialists from the USSR presidential apparat’s defense state security department were incorporated en toto into Yeltsin’s presidential administration. Reportedly, former KGB generals make up more than 90 percent of Russia’s Security Council staff.66

Thus while the old nomenklatura lost its old institutional bases—the party in 1991 and the Soviets in 1993—it did not lose political or economic power, transferring seamlessly through several state reorganizations into the new regime. The nomenklatura’s survival was not the result of an apparat revanche, a “thermidorian reaction”, but of direct recruitment and cooptation by the revolution. “The new regime’s cooptation of the ancient regime’s bureaucrats and structures consolidated the old elite’s hegemony but not monopoly inside the Russian state” (Hahn 2002: 503). The new regime’s lack of autonomy from Soviet economic interests is the key causal link between the elite nature of revolution from above and the post-takingover recruitment of the ancient regime’s bureaucrats, on the one hand, and the post-revolutionary regime’s weak state and political compromises with old economic interests, on the other. With not only the state’s autonomy compromised, but its ideological cohesion fractured, the revolution’s predisposition to compromise with the economic interests of the old nomenklatura and its new allies was strengthened.

Richard Sakwa argues that regime politics in Russia is quite complex. On the one hand it is moving forward towards democracy. It is also making attempts for international integration and a less bureaucratized and genuinely market economy. However at the same time Russia’s regime governance have a contemptuous attitude to the citizenry, knee-jerk anti-westernism, pervasive patron-client relations, Byzantine court politics and widespread corruption.

Concentration of powers in the hands of a particular group reduces the capacity of the state to act. Shelley in his study has given an analysis of elite in the post-Soviet Russia. He divides Russian elites into two categories: horizontal and vertical elite. The vertical group is the elite which enjoy full backing of the state machinery. They also have control over the media, economy and resources. This group is dominant not only in Moscow but also in the regions. It has full or partial control over the local media which helps them in maintaining their power status.

The horizontal group on the other hand is less privileged. It is not in dominant position. It has been trying to reassert the role of state in controlling centralization of power in the hands of few. So far this group has not been able to manifest any significant change. A major reason behind this is the control of vertical elite over the electoral process. This has made it difficult for the horizontal elite to enter into politics.
This group can play a positive role in building a healthy state-society relationship. But the existing political structure does not permit it.

Conclusion

On the basis of above analysis it can be concluded that the Russian state is being governed by a small elite. These elite are not a product of the ongoing democratization process but of the earlier Soviet system. In order to ensure their dominance over the political system and control over the economic resources they have been manipulating the present system of governance. This has further strengthened centralization tendencies in the governance practices. These tendencies exist not only at the political but at the economic level. This has caused various challenges of governance in post-Soviet Russia. The three major challenges are crime, corruption and inequality. Consequently, the Russian state, despite having all wherewithals and being a ‘strong state’ in terms of availability of infrastructure, has not been able to protect the interest of the vulnerable sections of the society. Only a small section’s interests remain protected and preserved. This is the reason that the Russian state is a ‘weak state’. In other words the new Russian governance has establishes a state which protects the interests of those who were already strong.

The control of state machinery by small elite has also reduced the autonomy of Russian state to intervene in many affairs. Stephen Fish argues that ‘when power at the national level is dispersed among two or more branches, the power holders are often guided by an urge to built institutions, rather than undermining them. If power holders do not and cannot hope to achieve complete mastery, the best strategy may be to outdo competitors in building institutions that can serve as source of support even given the risk that they may elude total control’ (Fish 219).

Neo-pluralists like Lindblom (1977) and Marxists (Jessop 1990) identified the structural power of capital and of business over decision-making as a violation of the very principle of democracy. Structural power explains why policy-making is not democratic, even where elections are free and fair and civil liberties are respected. These structural problems are very much evident in the governance of present day Russia.
It is within this framework that the present study tries to explain the emerging trends in the Russian politics. On the one hand the constitutional provisions guarantee various individual rights and ensure protection of civil liberties but the realities of governance are different. The Russian state is neither efficient nor willing to protect civil liberties. Furthermore, though the constitution declares it a ‘social state’, the realities are far behind. The new constitution does not even regards reduction or removal of various economic structural gaps in the society as a responsibility of the state. Besides, the new Russian state had never tried to emerge as a social reformer. Rather it has been protecting not only economic but political status of the section which emerged out of the old Soviet nomenklatura. As Fish writes “By the end of 1990s, state power in Russia had been reduced to negative power, meaning that the state could prevent things from happening but could not really make things happen. It could harass, obstruct, and repress, but it could not negotiate, entice, or deliver. The combination of intransigence and weakness on the part of the state circumscribed incentives for individuals to participate in the new politics of independent association. It checked the emergence of the institutions of bargaining, balancing, denying, and delivering that normally govern state-society relations” (Fish 2005: 4).

People’s representative institutions, such as the parliament, political parties and civil society organizations, have very less role to play in the governance of the country. The 1993 constitution provides a dominant role to the executive over the Russian parliament. Though parliament has played vital role in the law-making exercises through its committee system but it has no role in the government formation. It is the President which appoints the Prime Minister. He can remove the Prime Minister and his ministers whenever he wishes. Consequently the parliament remains nothing but an assistant institution to the president. Even the role of executive is based on the candidate’s personality and its relationship with the current president. The presidential candidate is more a nominee of the present candidate and not a popular leader.

So far political parties have played no role in the selection of winning presidential candidate. Their candidates are nothing but dummies to show that the presidential elections are competitive. Russian president is the guarantor of the constitution, and its protector. He is the head of the Russian state and chief policy maker. As a result the parliament is nothing but a ‘junior partner’ in the governance related matters. In reality
political parties and other mass organizations have no effective role to play in framing various policies. Communist party which has emerged as the largest political party in last eighteen years due to its mass base and reach all over the country remains marginalized from the governance of new Russia.

Media, non-governmental organization and other civil society institutions remain weak and ineffective. For the name sake the presidential regime has shown some interest in bringing various NGOs together. In reality these institutions continue to remain weak as the administration’s behaviour is quite hostile towards them.

All these problems are more serious when it comes to the issue of regional imbalances. The central and western Russia is quite developed economically whereas the eastern regions are economically backward. As a result they have less influence on the policy related matters.

The marginalization of mass institutions and economically underdeveloped areas from the governance has culminated into an inefficient system making the Russian state a weak state. In the end we can conclude that the future of Russian democracy and the governance lies in the capacity of government to accommodate different section in the current stream of development and democracy.